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Guam

Working paper prepared by the Secretariat

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I. General

1. Guam is a Non-Self-Governing Territory administered by the United States of America. Guam is the southernmost and largest of the Mariana Islands in the Pacific, situated about 2,200 kilometres south of Tokyo and 6,000 kilometres west-south-west of Hawaii. It consists of a single island of approximately 540 square kilometres. It comprises two distinct geological areas of about equal size. The northern part of the island is a high coralline limestone plateau and the southern region is mountainous. Apra Harbour, which is located on the central western side of the island, is one of the largest protected harbours in the Pacific and is considered to be the finest deep-water port between Hawaii and the Philippines. The capital city of Guam is Hagåtña, also known as Agana.

2. When the first Spanish missionaries came to Guam late in the seventeenth century, it was inhabited only by the indigenous Chamorro people. They are believed to be of Mayo-Polynesian descent. Today, the Chamorros comprise just over one third of the population and play an active role in the political and social life of the island, which has evolved into a multi-ethnic society.[1] According to the United States Census Bureau International Data Base, Guam's population for 2008 was estimated at 178,980, constituting a marked increase from 173,456 in 2007. It is expected that with the upcoming military build-up (see paras. 15 and 16 below), Guam's population will continue to grow, mostly through immigration, and reach approximately 231,000 by 2015, a growth rate of 24 per cent from 2008.[2] In the 2000 census results, the ethnic composition of the population was shown as 37.1 per cent Chamorro, 26.3 per cent Filipino, 11.3 per cent other Pacific islander, 6.9 per cent white, 6.3 per cent other Asian, 2.3 per cent other ethnic origin and 9.8 per cent mixed.[3] English and Chamorro are the official languages. The majority of the population is Roman Catholic (85 per cent), with other Christian denominations also represented.[3]

II. Constitutional, legal and political issues

3. Guam was administered by the United States Department of the Navy until 1950, when the United States Congress enacted the Guam Organic Act, which established institutions of local government and made Guam an organized Territory. Since then, the Territory has been administered by the Department of the Interior. Guam is an unincorporated Territory since not all provisions of the United States Constitution apply to the island. According to United States law, Guam, as an unincorporated Territory, is a possession of the United States but not part of the United States.

4. Guam has a locally elected Government, which comprises separate executive, legislative and judicial branches. Universal suffrage with respect to local elections applies to Guamanians 18 years and older. Guamanians are citizens of the United

Note: The information contained in the present paper has been derived from published sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations.

[1] www.doi.gov.ota.

[2] *Pacific Sunday News*, 14 September 2008.

[3] Central Intelligence Agency, *The World Factbook*, Guam (see www.cia.gov).

States, but they are not eligible to vote in United States presidential elections while resident in the Territory. The people of Guam elect a Governor, who serves a four-year term. The current Governor, Felix P. Camacho, assumed that post in January 2003 and was re-elected in 2006. The Governor is responsible for the general supervision and control of the executive branch and submits an annual report to the United States Secretary of the Interior for transmission to Congress. The Governor may issue executive orders and regulations, recommend bills to the Legislature, make his views known to that body and veto legislation.

5. The people also elect 15 senators, who serve two-year terms in a unicameral Legislature. The Legislature may override the Governor's veto. Under the Organic Act of 1950, the United States Congress reserves the authority to annul any law enacted by the Guam Legislature. Guam has two main political parties, the Republican Party and the Democratic Party, which are local chapters of the two main United States political parties. In the legislative elections held on 6 November 2008, Democrats won 10 seats compared to the Republicans' five.[4]

6. Since 1972, Guam has had one delegate to the United States House of Representatives. The delegate, who serves a two-year term, may vote in committee and, since January 2007, on floor amendments but not on the final approval of bills.[5] In the November 2008 elections, Madeleine Bordallo, Democrat, ran unopposed and was sworn in on 7 January 2009 for her fourth term as Guam's delegate to Congress.[6]

7. The judicial system in Guam comprises both local and federal components. The local judicial system is made up of a Superior Court and a Supreme Court led by judges appointed by the Governor and confirmed by the Legislature. Local judges are subject to confirmation by the voters every six years. At the federal level, a District Court judge, appointed by the President of the United States, is the head of the United States District Court for Guam. In 1998, Congress adopted an amendment to the Organic Act of Guam allowing the Guam Legislature to elect its own Attorney General for a four-year term. Attorney General Alicia G. Limtiaco, who took office in 2007, is the Chief Legal Officer of the Government of Guam, and the first female to fill the position. The Office of the Attorney General provides legal services to the Government of Guam and is empowered with prosecutorial authority.

8. An amendment to the Organic Act, which established the judiciary of Guam as an independent branch of Government, became law in 2004.[7] The law also confirmed the appellate jurisdiction and administrative authority of the Supreme Court of Guam over all inferior courts in the Territory, thereby effectively establishing a unified local judiciary.

9. Periodically, there have been moves in Guam to change the island's political status. In a 1976 referendum Guamanians decided to maintain close ties with the United States, but also to begin negotiations to improve the Territory's status. In 1979, the people of Guam rejected a draft constitution by a margin of five to one,

[4] http://guam.mvarietynews.com, 6 November 2008.

[5] *The New York Times*, 25 January 2007.

[6] www.guampdn.com, 8 January 2009.

[7] Information transmitted to the Secretary-General by the Government of the United States under Article 73 *e* of the Charter of the United Nations, in February 2006.

mainly on the grounds that the question of political status had to be resolved before a meaningful constitution could be drafted. Another referendum took place in 1982, with 73 per cent of voters opting to pursue commonwealth status with the United States.

10. The Commission on Self-Determination, established in 1984, completed a draft commonwealth agreement in 1986, which, after a public education campaign, was submitted for an article-by-article vote on 8 August 1987 (see A/AC.109/1192, paras. 19-37). Voters approved the core proposals, but rejected articles empowering the Government of Guam to restrict immigration and granting the indigenous Chamorro people the right to determine the future political status of the Territory. In a further referendum in November 1987, both of those outstanding provisions were approved after having been amended and rewritten. A summary of the main points in the draft Commonwealth Act is contained in the 2001 working paper (A/AC.109/2001/4).

11. However, subsequent discussions from 1989 to 1997 between the Commission and the United States Government on the commonwealth agreement did not reach a resolution (see A/AC.109/2000/6, paras. 19-22, A/AC.109/1192, paras. 19-37 and A/AC.109/2018, paras. 74-83). In 1997, Guam Public Law 23-147 established a Commission on Decolonization for the Implementation and Exercise of Chamorro Self-Determination, an important but controversial issue within the Chamorro population. That Commission, in concert with a process of registration of eligible voters organized by the Guam Election Commission, was to oversee the conduct of a vote on the Chamorro people's status preferences of either independence, integration or free association, in accordance with international standards. According to information provided by the administering Power, the Legislature appropriated $181,321 to the Commission for 2009 salaries and benefits.[8]

12. In 2000, the Guam Legislature provided the Guam Election Commission with the power to set the date of the decolonization plebiscite, which was expected to ask the Territory's indigenous people to choose between statehood, independence or free association with the United States. The plebiscite would have been non-binding but would have set the course of any future discussions of political status with the administering Power. The vote, scheduled to take place on 2 November 2004, was postponed because eligible voters had not been identified and registered.[9] To date, no further action has been reported.

13. During a meeting of the Special Political and Decolonization Committee (Fourth Committee) of the General Assembly on 7 October 2008, four petitioners from Guam expressed concern over the planned military expansion of the United States on the island. According to the petitioners, this "hyper-militarization" had grave implications for the right to self-determination because, among other things, it would give rise to an influx of military personnel and their dependants who would have the right to vote in territorial elections.[10]

[8] Information provided by the administering Power on 20 February 2009.

[9] Further details are contained in the 2007 working paper (A/AC.109/2007/16, paras. 12-16).

[10] Fourth Committee meeting, 7 October 2008; see press release at www.un.org/News/Press/docs/2008/gaspd397.doc.htm.

III. Military issues

14. Guam was administered by the United States Navy until 1950, and remains the site of extensive United States naval and air force installations. Petroleum storage, munitions stowage, extensive communications facilities and other service industries that cater to the military establishment form the basis of the military infrastructure in Guam. There are currently some 14,000 United States military-related people living in Guam.[11] There are four submarines based in Apra Harbour, with the latest, the USS *Ohio*, having arrived in 2008 with a crew of over 150 people.[12]

15. Following a decision of the United States Government in 2005 to realign United States Marine Corps capabilities in the Pacific region, approximately 8,000 United States military personnel and some 9,000 family members are to be transferred to Guam from Okinawa, Japan, by 2014. An investment of $14 billion is planned to support the relocation. Japan has authorized $6 billion to support the realignment of troops and the United States has pledged $4 billion, with a further $4 billion programmed for infrastructure projects in the Territory at the Naval Base Guam and Anderson Air Force Base.[13] On 17 February 2009, during Secretary of State Hillary Clinton's first visit to Japan, the agreement on the movement of the Marine Corps personnel was signed.[14]

16. During the March 2008 Guam Industry Forum, David Bice, the chief of the Joint Guam Program Office, a United States military unit handling the build-up of forces in Guam, said that it was preparing to start full-scale construction in 2010 of infrastructure facilities related to the build-up. Mr. Bice said that the whole build-up project would draw nearly 19,000 military personnel and nearly 20,000 family members to Guam. The envisaged relocation of the 8,000 Marines and their dependants from Okinawa would be a key component.[15]

17. Although local residents generally welcome the build-up after the economic slowdowns of the 1990s and early 2000s, one potential challenge is considered to be the contrast between life on the military bases and outside of them.[16] In April 2008, the Governor declared that the military build-up had to be a collaborative effort with benefits for both civilian and military communities.[17]

18. According to expert analyses, opposition to the military expansion stems mainly from concerns about the sociocultural impact on Guam. The downsides of the economic upswing and greater activity expected from the build-up also include higher inflation, more congestion and greater pressure on outdated infrastructure in addition to environmental concerns.[16]

19. In this connection, the former Guam Senator Hope Cristobal, in a statement, called for a cumulative study of past military use of Guam's landfill, noting that over 80 contaminated dump sites on Guam had yet to be cleaned up by the military, despite their having been on the United States Environmental Protection Agency cleanup lists for many years. In addition, the four petitioners from Guam who

[11] Inter Press Service, 21 July 2008.
[12] *Marianas Business Journal*, 8 January 2008.
[13] Some of the projects are listed in paragraph 42 below.
[14] www.guampdn.com, 18 February 2009.
[15] Japan Economic Newswire, 6 March 2008.
[16] First Hawaiian Bank, www.fhb.com/pdf/EconForecastGuam08.pdf.
[17] State of the Island Address, 14 April 2008.

addressed the Fourth Committee of the General Assembly on 7 October 2008 expressed concern over the planned United States military expansion on the Territory, which they said would devastate the environmental, social, physical and cultural health of Guam.[19]

20. In his January 2009 State of the Territory Address, the Governor announced that Guam's Department of Works had secured $3.8 million from the United States Department of Defense for an environmental impact study.

21. During the Special Committee's Pacific regional seminar held in Bandung, Indonesia, in May 2008, former Senator Cristobal said that a "meaningful and useful" environmental impact statement should address all effects of the military's past, present and future presence with regard to the military's "toxic waste and contaminations".[18]

22. Many Guamanians are still seeking answers about past military activities on the island. A "Right to Know" Commission was set up in 2006. One of the issues the Commission is looking at is toxic environmental contamination, which might have been caused by chemical agents stored and left on Guam by the military.[19] On 6 August 2008, Guam Senator Benjamin J. F. Cruz introduced Bill 349 in order to study the possible installation of a radioactivity monitoring device at or near the entrance to Apra Harbour.[20]

23. On 8 January 2009, Guam's delegate to the United States House of Representatives reintroduced a $126 million bill to compensate Guam residents or their survivors who suffered during the Japanese occupation of the island during the Second World War. War claims have been introduced several times since the 1980s by Guam's previous delegates without winning approval. The bill, which has the support of President Barack Obama, was passed by the House of Representatives on 24 January 2009. It has to be approved by the United States Senate before it reaches the President.[21]

IV. Land issues

24. As reported in previous working papers, the question of land use and ownership is a major and ongoing concern in Guam. This question comprises two major issues: (a) the return of unused or underutilized lands held by the United States Department of Defense; and (b) the return of those lands to the original Chamorro landowners. In 1994, the United States Congress passed the Guam Excess Lands Act (Public Law 103-339) to return 12.9 square kilometres to the people of Guam. No new information is available with regard to the impact the military build-up might have on the implementation of that law. The latest available data show that in 2005, a total of 180 parcels of land benefiting 2,000 families had been returned, 7 parcels more than the previous year (see A/AC.109/2006/8).

[18] The full statement can be found at www.un.org/Depts/dpi/decolonization/regional_seminars_statements_08/hope%20Alvarez%20Cristobal.pdf.

[19] www.kuam.com, 27 February 2007.

[20] *Pacific Islands Report*, 7 August 2008.

[21] www.guampdn.com, 25 February 2009.

V. Budget

25. Guam's fiscal year covers the period from 1 October to 30 September. The budget of Guam comprises revenues received by the Government of Guam and federal grants, the latter generally allocated to particular sectors through the Department of the Interior on an ad hoc basis. The Governor has the power to veto a budget bill, following which the bill is returned to the Legislature, which can either override the Governor's veto by a special majority or reconsider the bill.

26. On 30 September 2008, acting Governor Cruz signed the budget bill into law, noting that it was done with reservations stemming from the limited time available for review of the final proposal and the inclusion of a provision to raise money by offering a $246 million general obligation bond under what the Administration viewed as unfavourable conditions.[22]

27. The Guam Legislature earlier the same day had adopted a projected revenue level of nearly $521 million for fiscal year 2009 as the basis for the budget,[23] a 6 per cent increase from the 2008 projected revenue of $489.9 million. The budget for the 2009 fiscal year included close to $190 million for Guam's public schools, $33.5 million for the University of Guam and nearly $15 million for the Guam Community College. Some $71 million had been designated for the public health sector and $29 million for public works. For the Fire Department and the Police Department close to $27 million and $25 million had been allotted, respectively.[24]

28. However, according to the Chairman of the Legislature's Finance Committee, advances and early spending commitments would mean that government agencies would only be able to spend $489 million of the expected $520 million in revenue.[25]

29. According to information provided by the administering Power, the fiscal year 2010 financial plan of the Government of Guam predicts a 2 per cent increase in revenue over fiscal year 2009. Gross revenues are expected to reach $533 million, of which $522 million would go to government operations and $10.7 million (2 per cent) to deficit reduction. Education would receive $219 million (42 per cent), health $96 million (18 per cent) and public safety $70 million (14 per cent).[26]

30. Special Fund resources are projected at $108 million, the same level as 2009. Federal matching grants-in-aid stand at $37.7 million, up from $34.1 million in 2009, with the increase primarily attributed to various social welfare programmes at the Department of Public Health and Social Services including food stamps, public assistance and medicaid.[26]

31. As previously reported (A/AC.109/2008/15, para. 69), on 14 December 2007 the Chief Judge of the District Court of Guam issued a court order that required the immediate closure of Guam's Ordot dump, which was seen as posing grave health hazards to the inhabitants of the surrounding villages. Later that month, the Governor urged the Court to consider requiring the federal Government to assist in shutting down the facility, as it had been a United States military dump in the 1960s.

[22] www.pacificnewscenter.com, 30 September 2008.
[23] Guam Budget Act for Fiscal Year 2009, http://bbmr.guam.gov.
[24] www.guam.com, 2 March 2009.
[25] *Pacific Islands Report*, 8 September 2008.
[26] Information provided by the administering Power on 20 February 2009.

32. On 13 February 2009, the Chief Judge ordered the Government to begin paying $1 million a week towards the $159 million cost of closing the dump and opening a landfill. The territorial Government did not make the first payment, due on 1 March 2009, arguing that the payments were in direct conflict with Public Law 30-1, introduced on 26 February 2009, which stated that such payments were illegal unless there was prior legislative approval.[27] The territorial Government furthermore argued that the law provided several options to finance the closure and replacement of the Ordot dump. The territorial Government is currently awaiting a response from the Chief Judge to a brief it filed on 10 March 2009 for reconsideration of the judgement.[28]

VI. Economy

A. General

33. The gross domestic product of Guam in mid-2008 was estimated at $3.7 billion.[29] Guam has two primary pillars in its economy, tourism and the military.

34. While tourism has been the primary driver of the island's economy for the last three decades, the Government of Guam and leaders in the private sector have worked to create an environment conducive to the development of other industries such as financial services, telecommunications and transportation.[30]

35. The latest available data from the Guam Economic Development and Commerce Authority show that after tourism the economy is 30 per cent dependent on the military and approximately 5 to 10 per cent on other industries.[31] These numbers are, however, likely to change as a result of the upcoming military expansion and the military will be the most important source of economic growth in the future. The military expansion is anticipated to benefit Guam's economy in the amount of $1.5 billion per year once the process begins.[29]

36. Compared to other places where United States military personnel are stationed, Guam has a fiscal advantage in that federal law requires all island residents, including military personnel to pay income taxes to the Guam General Fund and not to the federal Government.[29]

37. The construction sector is another important contributor to the economy, it is already seeing increased growth, and rapid growth is expected when the expected military expansion begins. The farming and fishing sectors are relatively well developed; vegetables, citrus and tropical fruits, coconuts and sugar cane are grown and livestock, especially poultry, is raised. Manufactured products include textiles and garments, cement and plastics.[32]

38. Guam is a duty-free port and an important distribution point for goods destined for Micronesia. Re-exports constitute a high proportion of Guam's exports, which

[27] www.guampdn.com, 12 March 2009.
[28] www.guampdn.com, 2 March 2009.
[29] First Hawaiian Bank, www.fhb.com/pdf/EconForecastGuam08.pdf.
[30] Guam Economic Development and Commerce Authority, 17 March 2009, www.investguam.com.
[31] *Pacific Daily News*, 31 March 2005, www.guampdn.com.
[32] http://encarta.msn.com, Guam.

include petroleum products, iron and steel scrap, automobiles and tobacco and cigars, among others.[33] The latest available data from the Guam Bureau of Statistics and Plans show that, between July and December 2008, the largest buyer of Guam's exported goods was Japan (23.41 per cent), followed by Germany (19.59 per cent) and the Hong Kong Special Administrative Region of China (16.91 per cent). In June 2008, key partners for Guam's imports were the United States (57.17 per cent), Italy (7.27 per cent) and France (7.21 per cent).[34]

B. Tourism

39. According to the administering Power, tourism continues to be the largest sector in Guam's economy, generating about 60 per cent of the Territory's revenue. As previously reported, the latest available statistics from 2006 show that about 20,000 jobs on the island (approximately 35 per cent of total jobs) are tourism-related.[35]

40. The Guam Visitors Bureau reported that total air arrivals declined by 7 per cent between 2008 and 2009. During the same period, Japanese tourist arrivals, the most important tourist group for Guam, declined 9 per cent, from 931,079 to 846,599, and Korean arrivals declined about 10 per cent, from 122,747 to 110,234.[36] In order to increase arrivals in 2009, the Guam Visitors Bureau is launching new campaigns, promotions and advertising strategies.[37]

41. In 2008, the airline Continental Micronesia operated four charter flights between Guam and China. In June 2008, the airline announced that it was suspending non-stop flights to Guam from the Hong Kong Special Administrative Region of China and Bali, as fare increases had not been able to cover rising fuel costs.

C. Construction and infrastructure

42. As mentioned earlier, one of the major industries on Guam is construction. On 15 October 2008, the President of the United States signed the fiscal year 2009 Defense Authorization Bill, which included $180 million for military construction projects on the island. These projects include $62.4 million for the construction of military quarters on Naval Base Guam, $50 million for completion of the Kilo Wharf extension, $30 million for construction of a new central utility plant at the naval hospital, $26.1 million for upgrades to the wastewater collection system at Naval Base Guam, $5.4 million for the realignment of Arc Light Boulevard on Andersen Air Force Base and $5.2 million for construction of a combat communications maintenance facility at Andersen Air Force Base.[37] The projects will improve critical infrastructure for the military build-up.

[33] Central Intelligence Agency, *The World Factbook*, Guam (see www.cia.gov).

[34] Guam Bureau of Statistics and Plans, December 2008.

[35] First Hawaiian Bank, www.fhb.com/pdf/EconForecastGuam06.pdf, p. 3; Guam Visitors Bureau, *Five-Year Strategic Plan 2007-2011*, p. iv.

[36] www.guampdn.com, 3 February 2009.

[37] www.kuam.com, 15 October 2008.

43. The existing moratorium on new building developments has been seen as hurting Guam's reputation with regard to foreign investment. According to one of Guam's major real estate groups, the Korean market was one of the most important sources of foreign investment funds in 2007, with investments of about $1.2 billion. The number declined to about $600 million in 2008, with the decrease being in large part attributed to the global economic slowdown.[38]

D. Transport and communications

44. As of 2008, the transport infrastructure of Guam comprised five airports; approximately 1,000 kilometres of roadways, almost all paved; and one port. Guam's international airport is the most modern in the western Pacific.

45. The Port Authority of Guam, which is a public corporation and an autonomous agency of the Government of Guam, administers the commercial port facilities at Apra Harbour. It is the entry point for 95 per cent of all goods entering Guam and serves as a trans-shipment centre for Micronesia. Three new gantry cranes have been installed and are expected to be operational in April 2009, as cargo volumes are expected to surge with the military-related construction projects.[39] In May 2008, the Governor signed a memorandum of understanding solidifying a partnership between the Port Authority of Guam and the federal Department of Transportation's Maritime Administration. The agreement paves the way for more resources to upgrade and expand port facilities. Progress has been made on a port modernization master plan outlining the use of $195 million for deeper berths, expanded terminals and storage sites.[40]

46. On 3 September 2008, federal agencies under the United States Department of Transportation committed $25 million towards a more effective mass transit system to accommodate the projected surge in Guam's population. In addition, as part of the pact signed between the United States and Japan on 17 February 2009, Secretary of State Clinton confirmed funding in the amount of $1 billion for a proposed road that would link United States military facilities in the northern and southern parts of the island. The funding for the road is in addition to what the United States will pay for the relocation of the Okinawa Marines.[41]

47. In October 2008, Guam's International Airport Authority received $300,000 from the United States Department of the Interior's Office of Insular Affairs. The grant provides funding to conduct in-depth training to enhance airport and aviation operations and procedures to ensure safety operations during emergencies.[42]

48. In November 2008, Governor Camacho announced that he would seek to conclude a memorandum of understanding with the members of the Micronesian Chief Executives Summit in the support of the expansion of the Port Authority of Guam, which, as mentioned, serves as the trans-shipment centre for Micronesia. The port modernization plan calls for $195 million in improvements to seaport facilities to accommodate the import and export of goods during the height of the Guam

[38] *Pacific Islands Report*, 21 October 2008.
[39] *Pacific Islands Report*, 11 February 2008.
[40] *Pacific Islands Report*, 10 June 2008.
[41] www.guampdn.com, 23 February 2009.
[42] www.guamgovernor.net, 13 October 2008.

build-up programme and to sustain economic growth in the coming years. Sources of funding have been identified for 10 per cent of the planned expenditures, or $19.5 million.[43]

49. Guam continues to serve as a major telecommunications hub for the Asia-Pacific rim. Guam has a modern digital telephone system, including cellular mobile service and local access to the Internet. The system is integrated with United States facilities for direct dialling, including free use of "800" numbers.

E. Water system, sanitation and utilities

50. Approximately 74 per cent of the island's water supply is provided by the Guam Waterworks Authority. The Government's water sources consist of groundwater and surface water (the Ugum River). The remainder is produced by the air force and naval installations on Guam. The Navy water source is a surface reservoir (Fena Lake) in the southern part of the island.

51. A development moratorium was instituted by the Waterworks Authority in July 2008, when it stopped authorizing new water or wastewater connections to let the overtaxed system catch up with new developments. The moratorium will be lifted on 1 April 2009.[44]

52. In November 2008, the Consolidated Commission on Utilities approved a financial plan for the Guam Waterworks Authority which will increase the rates by about 33 per cent over the next five years. The raises include an already proposed 12.9 per cent increase for 2009, subject to Public Utilities Commission approval. Another 20 per cent increase is set for the remaining four years.[45]

53. In February 2007, the Consolidated Commission on Utilities approved a Guam Waterworks Authority master plan. The plan calls for $900 million worth of projects to be completed over the next two decades. The plan was developed to help improve water and wastewater service on Guam. In line with these objectives, the Waterworks Authority has implemented three projects to decrease the amount of water it purchases from the Navy yearly by at least 25 per cent.[46] In July 2008, the United States Environmental Protection Agency fined the Guam Waterworks Authority $9,000 for failing to fully comply with a 2003 court order to make improvements to its drinking water system.[47]

54. For an update on Guam's Ordot dump, see paragraphs 31 and 32 above.

F. Agriculture and fisheries

55. The Guam Department of Agriculture is entrusted with developing and protecting the Territory's agriculture and natural resources. The Department is

[43] www.guamgovernor.net, 21 November 2008.
[44] www.guampdn.com, 12 March 2009.
[45] *Pacific Islands Report*, 13 November 2008.
[46] www.kuam.com, 26 September 2007.
[47] http://yosemite.epa.gov/opa/admpress.nsf.

divided into divisions dealing with animal and plant industry, agriculture development, forestry and soil resources and aquatic and wildlife resources.[48]

56. In July 2008, the Farmers Cooperative Association was selected to receive $175,000 in federal funding to provide training and technical assistance to its members on farming practices and facilities management.[49]

57. In November 2008, the Governor vetoed a bill calling for a new "Indigenous Native Resources Task Force" to work on rules providing the Chamorros with special rights to offshore fishing and harvesting of resources. In his message announcing the veto, the Governor said that he found the legislation left too many questions unanswered and could cause major harm to the very resources that the Chamorro culture was so intimately tied to.[50] A representative of the organization Native Rights said the veto was uncalled for and insensitive to the rights and concerns of the Chamorro people.[51]

58. With regard to the designation of the Marine Monument in the Marianas, see section VIII below.

VII. Social conditions

A. Labour

59. The Guam Department of Labour, Bureau of Labour Statistics announced that the September 2007 unemployment rate was 8.3 per cent, an increase of 0.9 percentage point from the 7.4 per cent reported in September 2006.[52] On 7 March 2009, the United States Department of Labour announced that Guam would receive $3.7 million for employment and training programmes under the American Recovery and Reinvestment Act of 2009. The allocation will be used, inter alia, to address the immediate employment needs of low-income, low-skilled workers.[53]

60. According to data from the Bureau, significant changes during 2008 included increases of 840 jobs in construction and 270 jobs in the hotel industry, and the loss of 510 jobs in retail and trade.[54] The number of jobs in the public sector increased from 15,030 in December 2007 to 15,110 in December 2008.[55]

61. Over the five-year period from 2002 to 2007, private-sector employment grew by 14.7 per cent, from 39,520 to 45,320 jobs.

62. In July 2008, the Governor announced that special waivers for non-United States citizens and nationals would eliminate the need for visas to work in the Territory in connection with the military build-up.[56] The United States Department of the Interior, Office for Insular Affairs, is working to develop training and

[48] www.agriculture.guam.gov.
[49] www.rurdev.usda.gov.
[50] www.guamgovernor.net, 26 November 2008.
[51] www.kuam.com, 1 December 2008.
[52] www.guamdol.net.
[53] www.guampdn.com, 8 March 2009.
[54] Guam Department of Labour, 3 February 2009.
[55] Guam Department of Labour, 3 February 2009; www.guampdn.com, 4 February 2009.
[56] *Pacific Islands Report*, 31 July 2008.

apprenticeship programmes for eligible labourers in the Guam region. About 12,000 foreign workers and an estimated 5,000 residents are needed for the military build-up, which is scheduled to take place between 2010 and 2014.[57]

B. Education

63. Guam has an extensive public and private education system. The public education system includes the University of Guam, Guam Community College, 4 public high schools, 7 middle schools, 26 elementary schools and an alternative school, which together serve over 31,000 students. On 21 August 2008, three new public schools were opened in northern Guam.[58] There are approximately 25 private schools in Guam, including 2 business colleges, 5 high schools and a number of elementary schools, most of which are affiliated with Roman Catholic and Protestant religious denominations.[59]

64. For the fiscal year 2009, Guam's public school system has been allocated close to $190 million from several funds, among them the Guam General Fund and the Education Facilities Fund, as well as federal matching grants-in-aid. Some $33 million has been appropriated for the University of Guam.[60] In addition, Guam's public schools will likely receive more than $10.9 million under the United States economic stimulus plan which was signed into law on 17 February 2009. The stimulus act, furthermore, expands funding for college students on Guam, with a preliminary estimate of $14.6 million in federal Pell grants.[61] Pell grants are educational grants sponsored by the United States Department of Education, which do not require repayment and are awarded according to a "financial need" formula.

65. In June 2008, the President of Guam University announced that he was considering how to take advantage of the population increase that would result from the military build-up. The President has asked for support in the institution's "growth initiatives" which represent nearly $5 million of the $34.2 million the University requested in mid-June 2008, combining existing programmes with new ones to meet anticipated demands in fields such as nursing, teaching, environmental sciences and social work.[62]

66. On 30 September 2008, the Guam legislature adopted a special fund for school lunch and child nutritional meal of $7.5 million for fiscal year 2009.[63]

67. In October 2008, the Guam Community College received a two-year, $2,499,120 grant from the United States Department of Education to build a new learning resource centre at the Mangilao campus. According to the President of Guam Community College, the overall goal for the centre is to increase enrolment, retention and programme graduation rates.[64]

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[57] *Pacific Islands Report*, 6 August 2008.
[58] *Pacific Daily News*, 21 August 2008.
[59] www.guampcs.com.
[60] www.bbmr.guam.gov, 30 September 2008.
[61] www.guampdn.com, 7 March 2009.
[62] *Pacific Islands Report*, 25 June 2008.
[63] Budget act of fiscal year 2009, http://bbmr.guam.gov.
[64] www.guamgovernor.net, 3 October 2008.

68. According to press reports, the Department of Public Works added 35 more school buses during 2008 to improve services for public school students.[65]

C. Public health

69. Life expectancy of Guamanians for 2008 was 75.7 years for males and 82 years for females. The major health facility in Guam and the Federated States of Micronesia, the Guam Memorial Hospital, is owned by the Government and has 192 beds, including 159 beds for acute care. A northern regional community health centre was opened in 2007. The Guam Department of Public Health operates about a dozen medical and dental clinics.

70. In addition to the $71 million designated for the public health sector in fiscal year 2009, the "Healthy Futures Fund", consisting of taxes collected on tobacco and alcohol products, will provide $9 million. In addition, on 5 February 2009 the President of the United States signed a bill into law that provides increased health-care funding for children in Guam. The state children's health insurance programme will provide an additional $1.8 million for programmes that offer health care to children without private insurance.[66]

71. The United States Naval Hospital serves military personnel and dependants as well as veterans. In October 2008, the administering Power announced that a $4.5 million contract had been awarded for the construction of a clinic on Guam to serve the health needs of veterans living there and in other Pacific insular areas.[67]

D. Housing

72. The military build-up will put heavy demands on the housing stock over and above what is required by the military and those directly involved in the expansion. As word of the Guam build-up has spread, offshore demand has increased and some speculative buying has occurred. On the basis of the 2015 population projection, Guam will need about 7,500 more civilian housing units.[68]

73. A particularly noticeable jump in median prices of both single-family units and condominiums took place in 2007, which raised local concerns about declining affordability for local residents and a possible increase in homelessness.[69]

74. However, during the first half of 2008, Guam's overall real estate sales activity dropped to $409.3 million compared with $686.8 million for the same period in 2007. Commercial properties led the decline with annual sales down by over 70 per cent. The 2008 market slowdown was exacerbated by a series of local government actions that resulted in a reduction in the potential profits associated with real estate investment and development.[70]

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[65] www.guampdn.com, 5 March 2009.
[66] Congressional Research Service (www.crs.gov), 14 Jan 2009.
[67] United States Department of the Interior, 2 October 2008.
[68] *Pacific Sunday News*, 14 September 2008.
[69] First Hawaiian Bank, www.fhb.com/pdf/EconForecastGuam08.pdf.
[70] www.redroom.com, 22 August 2008.

E. Immigration

75. A major issue in the federal Government's relations with Guam continues to be migration from the Marshall Islands, the Federated States of Micronesia and Palau. The Compact of Free Association Act of 1986, which established the relationship between the United States and the Federated States of Micronesia and the Marshall Islands, authorized unrestricted migration from those Pacific island nations to the Territories and possessions. The Act enabled citizens of the Freely Associated States to enter Guam and to engage lawfully in occupations as non-immigrant aliens.[71] Those immigrants and their American-born children have settled in Guam, Hawaii and the Northern Mariana Islands, which has strained the resources of recipient States and Territories.

76. In order to reimburse Guam, the other Territories and Hawaii for the cost of providing government services for regional immigrants, the federal Government has issued Compact-impact funding. In December 2003, the Compact of Free Association Amendments Act of 2003 was passed, renewing the original Compact of 1986 for another 20 years. Additional Compact-impact reimbursement is authorized if impact costs rise above the mandatory appropriation of $30 million per year. An estimated $12 million to $14 million in annual funding is expected for Guam. The Compact-impact allocation to Guam of $14.2 million in 2007 remained the same for 2008.[72]

F. Human rights and related issues

77. The question of human rights in Guam is mostly centred on the rights of the indigenous peoples. See paragraphs 10 to 13 above with regard to the issue of self-determination and paragraphs 19 to 23 above with regard to concerns about the impact of the military build-up in relation to socio-economic issues and Guam's environment. More information on human rights and related issues can also be found in the 2003 working paper (A/AC.109/2003/15).

VIII. Environment

78. The Guam Environmental Protection Agency comprises five divisions: the Administrative Services Division, the Environmental Monitoring and Analytical Services Division, the Environmental Planning and Review Division, the Air and Land Programs Division and the Water Programs Division.[73]

79. In the 2009 fiscal year budget, the Agency was appropriated $642,000.[74]

80. Guam continues to experience environmental problems related to the United States occupation during the Second World War.[75] Scientific findings have shown

[71] United States Department of the Interior, Office of Insular Affairs, *Report on the State of the Islands*, 1999, chap. 4.

[72] www.guampdn.com, 6 March 2009.

[73] www.guamepa.govguam.net.

[74] FY 2009 Budget, 30 September 2008.

[75] See A/AC.109/2001/4, para. 83, A/AC.109/2005/7, para. 67 and A/AC.109/2007/16, para. 83.

that Guam received significant radiation exposure during the atomic test periods in the Marshall Islands in the 1950s.[76]

81. With regard to contamination, a $13 million cleanup project at a 1945 United States Air Force dumping ground at Urunao was under way in 2008, with some 30,000 pieces of munitions or explosives of concern having been found and disposed of at that point.[77]

82. On 7 January 2009, the President of the United States designated a national marine monument in the Marianas including the Marianas Trench, creating the largest protected marine area in the world.[78] According to some of Guam's legislators, the federal Government pursued the issue without appropriate consultation. They noted that the indigenous people of Guam had been fishing in the waters surrounding the Marianas Islands for some 4,000 years without damaging the natural resources and were considered good stewards of the ocean environment.[79]

IX. Relations with international organizations and partners

83. Guam has been an associate member of the Economic Commission for Asia and the Pacific since 24 July 1981.[80] It is a member of the Secretariat of the Pacific Community and the Micronesian Chief Executives Summit.

X. Future status of the Territory

A. Position of the territorial Government

84. Developments regarding discussions on the future status of Guam are reflected in section II above.

B. Position of the administering Power

85. Most recently, in a letter dated 2 November 2006 addressed to the American Samoa delegate to the United States House of Representatives, the Assistant Secretary of State for Legislative Affairs elaborated the position of the United States Government on the status of American Samoa and other United States Insular Areas, which was considered equally valid for 2008. In his letter, the Assistant Secretary indicated that the status of the Insular Areas regarding their political relations with the federal Government was an internal United States issue, and not one that came under the purview of the Special Committee on Decolonization. The letter also noted that the Special Committee had no authority to alter in any way the relationship between the United States and those Territories and no mandate to engage the United States in negotiations on their status. The letter further stated that at the same time, in accordance with its obligations under the Charter of the United Nations to provide regularly to the United Nations statistical and other information

[76] www.kuam.com, 13 August 2007.
[77] www.kuam.com, 23 January 2008.
[78] National Public Radio, 6 January 2009.
[79] *Saipan Tribune*, 19 November 2008.
[80] www.unescap.org.

of a technical nature relating to the economic, social and educational conditions in the Territory, the federal Government did submit annual updates on United States Territories to the Special Committee of 24 as a demonstration of United States cooperation as an administering Power and as a corrective to any errors in information that the Special Committee might have received from other sources.[81]

C. Action taken by the General Assembly

86. On 5 December 2008, the General Assembly adopted, without a vote, resolutions 63/108 A and B, based on the report of the Special Committee transmitted to the General Assembly[82] and its subsequent consideration by the Special Political and Decolonization Committee (Fourth Committee) (A/63/480). Section VI of resolution 63/108 B concerns Guam. Under that section's operative paragraphs, the General Assembly:

1. *Calls once again upon* the administering Power to take into consideration the expressed will of the Chamorro people as supported by Guam voters in the referendum of 1987 and as subsequently provided for in Guam law regarding Chamorro self-determination efforts, and encourages the administering Power and the territorial Government to enter into negotiations on the matter;

2. *Requests* the administering Power, in cooperation with the territorial Government, to continue to transfer land to the original landowners of the Territory, to continue to recognize and to respect the political rights and the cultural and ethnic identity of the Chamorro people of Guam and to take all measures necessary to address the concerns of the territorial Government with regard to the question of immigration;

3. *Also requests* the administering Power to cooperate in establishing programmes for the sustainable development of the economic activities and enterprises of the Territory, noting the special role of the Chamorro people in the development of Guam;

4. *Recalls* the previously made request by the elected Governor to the administering Power to lift restrictions to allow for foreign airlines to transport passengers between Guam and the United States of America to provide for a more competitive market and increased visitor arrivals;

5. *Requests* the administering Power to assist the Territory by facilitating public outreach efforts, consistent with Article 73 *b* of the Charter of the United Nations and, in that regard, calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested.

[81] *Samoa News*, 7 November 2006.

[82] *Official Records of the General Assembly, Sixty-second Session, Supplement No. 23* (A/62/23).